Above are articles and summaries of magnesium related stories. Members are asked to distribute the update to their employees – if their employees wish to receive the IMA Weekly Update, please send their email addresses to the IMA Head Office. We appreciate your company press releases and announcements for inclusion in the Weekly Update.

INDUSTRY CALENDAR

August 21 – 22, 2012
Global Automotive Lightweight Materials
Detroit, Michigan, USA

September 27 – 29, 2012
Calcium and Magnesium in Groundwater - Distribution and Significance International Seminar
Katowice, Poland
http://camgseminar.pgi.gov.pl

September 30 – October 3, 2012
COM 2012
Niagra Falls, Ontario, Canada
http://www.cim.org/com2012/

October 30, 2012
IMA Magnesium Applications Seminar North America (more details coming soon!)
Ypsilanti, Michigan, USA
www.IMAseminar.org

March 3 – 7, 2013
TMS 2013
San Antonio, Texas, USA
http://www.tms.org/meetings/annual-13/AM13home.aspx

May 19 – 22, 2013
70th Annual IMA World Magnesium Conference (more details coming soon!)
Xi’an, China
www.IMAworldconference.org

Contact IMA

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E-mail: mschultze@tso.net

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E-mail: ascheible@tso.net

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E-mail: jiwestman@web.de
ASSOCIATION NEWS

IMA Announces the Magnesium Applications Seminar North America

New IMA President Prof. Dr. Karl Kainer invited to TMS 2013 Annual Meeting as Keynote Speaker

Please Join Us for the 70th Annual World Magnesium Conference in Xi’an, China

Articles follow below

INDUSTRY NEWS

Wenxi Regal Magnesium Succeeded Patent Application for Specialized Alloy ~ Heat Resistant and Anti Creep Rare Earth Magnesium Alloy
Press Release, Wenxi Regal Magnesium (25-Jul-2012)

Sverdlovsk Government Does Not Rule That Russian Magnesium Project Might Have to be Restarted
www.steelguru.com (03-Aug-2012)

Articles follow below

CHINA’S LATEST

China June Top Ten Magnesium Exporters
www.metal-pages.com (07-Aug-2012)

China Magnesium Industry Market Bulletin
www.chinamagnesium.net (03-Aug-2012)

Articles follow below

EDITOR’S NOTE: IMA makes every possible effort to substantiate the articles which appear in the Weekly Update. However, as this is not always possible IMA does not warrant the details nor accuracy of any given article. Please keep in mind that materials are attained through press releases, outside articles from numerous sources and publications. Such materials often contain opinions which are not that of the association nor should they be construed as such. We realize that in the case of some materials, the translations might often lead to less than perfect grammar, etc. It is our position however to print as submitted rather than take upon ourselves the editing of such materials which would entail potential changes unwanted by any given author.
IMA Announces the Magnesium Applications Seminar North America

The International Magnesium Association (IMA) is happy to announce that it will again offer its Magnesium Applications Seminar North America. It will be held on Tuesday, October 30, 2012 at the Ann Arbor Marriott at Eagle Crest in Ypsilanti, Michigan, USA. Please save the date on your calendars!

Our newly elected IMA President, Prof. Dr. Karl Kainer, is planning to attend. He cordially invites members and non-members alike to attend.

The Magnesium Applications Seminar continues to expand on the past series of *Magnesium in Automotive Seminars* which had been popular for years but which focused only on that market segment. Magnesium has far greater capabilities in which the seminar will explore.

The tentative Seminar topics include information relative to Manufacturing Automation, ABB, Reis and Fanuc robots, different speed rolling and stamping, fasteners, finishers, machine houses and die casting. Engineers, designers and technicians involved with materials specification, structural design, mechanical design, purchasing professionals, and manufacturers will all find comprehensive educational presentations and case studies by magnesium experts on issues geared to provide the information and answers they need. The Seminar will also feature exhibits from magnesium producers, suppliers and manufacturers offering technical assistance and information on designing for and manufacturing with magnesium. More details regarding attending and exhibiting will be forthcoming at: [www.IMAseminar.org](http://www.IMAseminar.org).

New IMA President Prof. Dr. Karl Kainer Invited to TMS 2013 Annual Meeting as Keynote Speaker

Newly elected IMA President, Prof. Dr. Karl Kainer has been invited to present as a Keynote Speaker at the 142nd TMS 2013 Annual Meeting which takes place from March 3 – 7, 2013 in San Antonio, Texas, USA. In addition to speaking about the magnesium topic of his choice, Prof. Dr. Karl Kainer will also have a great opportunity to promote the IMA and our milestone 70th Annual World Magnesium Conference that will be held in 2013.

Please visit the TMS 2013 Annual Meeting website at [http://www.tms.org/meetings/annual-13/AM13home.aspx](http://www.tms.org/meetings/annual-13/AM13home.aspx) for more information.

Please Join Us for the 70th Annual World Magnesium Conference in Xi’an, China

The World Magnesium Conference is scheduled for May 19-22, 2013. This event is the premier international magnesium industry conference that highlights the latest technological advances, innovative applications, and emerging developments in the global marketplace. The conference combines informative technical sessions, exhibits, networking and social opportunities for a well-rounded industry experience.

- **Industry Updates**
- **Technical Program**, provide a wealth of information for magnesium industry professionals and address topics ranging from an overview of the current state of the magnesium industry to magnesium process breakthroughs, applications, and business management issues.
- **Social Program**
- **Sponsorship Opportunities**
- **Awards of Excellence**, IMA's competition recognizing outstanding magnesium products and innovative manufacturing technologies
Xi’an today sits in the fertile Wei River valley, one of the epicenters of early Chinese civilization. The area was home to the capitals of several major dynasties (historians can count 11), stretching all the way back to the Zhou in the 11th century BC. The remnants of this ancient world are everywhere – from the First Emperor’s Terracotta Army to the Muslim influence that still characterizes the city. Many of the city’s attractions are unique not only to the city itself, but to all of China.

Click here for the 2013 IMA Annual World Magnesium Conference flyer.

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**INDUSTRY NEWS**

**Wenxi Regal Magnesium Succeeded Patent Application for Specialized Alloy ~ Heat Resistant and Anti Creep Rare Earth Magnesium Alloy**

Press Release, Wenxi Regal Magnesium (25-Jul-2012)

Contact: Andrew Lee
Chief Marketing and Exporting Manager
Shanghai Regal Magnesium Limited Company
Address: UnitA2, 20/F, No.726,Yan’an Rd (W) Shanghai, 200050, P.R.China
Mobile: +86 18721161023

Wenxi Regal currently filed application for a Heat resistant and Anti Creep Rare Earth Magnesium Alloy approved by Chinese government (Patent No. ZL201110057863.9 ), authorized validity starting July 25, 2012.

Above patented alloy belongs to AE44 series with intensified processing for anti-creeping and heat resistance.

Aluminum, Manganese and Cerium have been added into the new Magnesium Alloy and proven with superior strength and heat/creep resistance.

Success on this new patent demonstrated Wenxi Regal’s commitment on Research and Development of Magnesium raw material and helps better promote application of Magnesium in Automotive and Aerospace industries.

**Sverdlovsk Government Does Not Rule That Russian Magnesium Project Might Have to be Restarted**

www.steelguru.com (03-Aug-2012)

Interfax quoted Mr. Alexander Petrov deputy chairman of the regional government said the Sverdlovsk Region authorities do not rule out the possibility of launching a new Russian Magnesium project if the first project, OJSC Russian Magnesium goes bankrupt.

He said that, "I don't rule out that we'll have to start everything from the beginning, because the objective exists, the problem exists, there is interest, potential investors are emerging. I think that everything is not lost, even if Minmet and Solimag [the shareholders of the magnesium plant being built] pull out of the project. I think that the technology [to mine and process magnesium] can be bought."
Mr. Petrov said the **magnesium** recovery technology patented by the plant that is being built is currently worth about RUB 900 million. In addition, since the project was begun in 2006, there have been some thoughts, some developments that will now make it possible to improve this project.

Mr. Petrov explained why the shareholders voted against the new share issue. The shares were supposed to be sold in a private placement to Minmet Financing Company SA which currently owns two shares in the plant. The company proposed to pay for 50,000 shares in cash and acquire the other 150,000 shares by offsetting claims against Russian Magnesium on previously issued loans.

He said that "The RUB 50 million that were to be invested in the project in the form of cash do not solve the current problem. This would keep the company going, perhaps, to the end of the year, taking into account the need to even just pay wages, taxes, not to mention payment of the debt to Uralgipromez."

Statements about the possibility of launching a second **magnesium** recovery project emerged following a dispute between the shareholders of Russian Magnesium.

Mr Alexei Ginzburg OJSC Russian Magnesium chief executive told Interfax that at an extraordinary general meeting in July OJSC Uralasbest and the Sverdlovsk Region government which each own 25% of the plant blocked a decision to issue new shares.

The plant's principal shareholder, LLC Solimag which is 25% owned by Ginzburg and 75% of LLC SMV Engineering, proposed to issue 200,000 common shares in the plant with par value of RUB 1,000 each in order to raise RUB 200 million to cover debts on wages to employees of the plant, pay tax debts and finance current operations.

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**CHINA’S LATEST**

**China June Top Ten Magnesium Exporters**


China exported 13,441 tonnes of unwrought **magnesium**, mostly in the form of **magnesium** ingots, 7,493 tonnes of unwrought **magnesium**, mostly in the form of **magnesium** alloy, and 8,087 tonnes of **magnesium** powder in June, according to official customs data.

The top ten **magnesium** ingot exporters are:

<table>
<thead>
<tr>
<th>Order</th>
<th>Company</th>
<th>Quantity (Kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sunwu Huaxin Trade Co., Ltd.</td>
<td>1929438</td>
</tr>
<tr>
<td>2</td>
<td>Heihe Rongke Economy and Trade Co., Ltd.</td>
<td>1451407</td>
</tr>
<tr>
<td>3</td>
<td>Oocl Logistics Warehousing and Transportation (Tianjin) Co., Ltd.</td>
<td>1285584</td>
</tr>
<tr>
<td>4</td>
<td>Shanxi Credit Magnesium Industry Co., Ltd.</td>
<td>701568</td>
</tr>
<tr>
<td>5</td>
<td>Shanxi International Import and Export Co., Ltd.</td>
<td>535554</td>
</tr>
<tr>
<td>6</td>
<td>Wanzai Huierjie Trade Co., Ltd.</td>
<td>405105</td>
</tr>
<tr>
<td>7</td>
<td>5401960147</td>
<td>400000</td>
</tr>
<tr>
<td>8</td>
<td>Guangan Zhongtai Business Service Co., Ltd.</td>
<td>392492</td>
</tr>
<tr>
<td>9</td>
<td>Shijiazhuang Qirun Industry Co., Ltd.</td>
<td>355276</td>
</tr>
<tr>
<td>10</td>
<td>Xiamen Qirun Industry Co., Ltd.</td>
<td>331857</td>
</tr>
</tbody>
</table>

The top ten **magnesium** alloy exporters are as follows:

<table>
<thead>
<tr>
<th>Order</th>
<th>Company</th>
<th>Quantity (Kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Xi’an Magnotec Magnesium Co., Ltd.</td>
<td>1370696</td>
</tr>
<tr>
<td>2</td>
<td>Tianjin Desheng Magnesium Auto Components Co., Ltd.</td>
<td>1332943</td>
</tr>
<tr>
<td>3</td>
<td>2311960666</td>
<td>809855</td>
</tr>
<tr>
<td>4</td>
<td>Shanxi International Import and Export Co., Ltd.</td>
<td>658074</td>
</tr>
</tbody>
</table>
The top ten magnesium powder exporters are as follows:

<table>
<thead>
<tr>
<th>Order</th>
<th>Company</th>
<th>Quantity (Kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Jiangsu Wuzhong Haili International Trade Co., Ltd.</td>
<td>1225200</td>
</tr>
<tr>
<td>2</td>
<td>Henan Yashun Trade Co., Ltd.</td>
<td>759200</td>
</tr>
<tr>
<td>3</td>
<td>Almament Tianjin Magnesium Industry Co., Ltd.</td>
<td>662000</td>
</tr>
<tr>
<td>4</td>
<td>Shanxi Xinghua Cun International (Group) Co., Ltd.</td>
<td>646800</td>
</tr>
<tr>
<td>5</td>
<td>Shanxi Dajin Machinery &amp; Electricity Co., Ltd.</td>
<td>480000</td>
</tr>
<tr>
<td>6</td>
<td>4413963050</td>
<td>476000</td>
</tr>
<tr>
<td>7</td>
<td>4101963852</td>
<td>400000</td>
</tr>
<tr>
<td>8</td>
<td>TTS Fortune Co., Ltd.</td>
<td>282500</td>
</tr>
<tr>
<td>9</td>
<td>3608960858</td>
<td>352000</td>
</tr>
<tr>
<td>10</td>
<td>2311960666</td>
<td>220000</td>
</tr>
</tbody>
</table>

China Magnesium Industry and Market Bulletin  
www.chinamagnesium.net (03-Aug-2012)

Market Focus

Magnesium Prices Adjust Slightly Lower for Weak Demand This Week

From July 9 to Jul 13, ex-works quotations for 99.9 minimum ingots from leading production bases slightly decreased as indicated in Shanxi from 18,500 – 18,700 yuan, Shaanxi from 18,400 to 18,500 yuan and Ningxia from 18,500 – 18,600 yuan. Export prices maintained at 3,200 - 3,250 US dollars. In Yuncheng, one source told Sunlight that they were quoted at 18,600-18,700 yuan, with a few contracts done. He believes that next week’s price would go down for 100-200 yuan. “This week, Wenxi’ producers are busy with previous orders, with nearly none stocks. So, quotation are quite flat. I think the price won’t change sharply for at least two weeks.” Last week, the China Customs has adjusted the minimum export price of magnesium to 3,200 USD. Another trader in Yuncheng confirmed with steady price. He heard that most of the Fugu's contracts were closed at 18,200-18,300 yuan. In Ningxia, magnesium market seems quite stable. Market players become more rational.

This week, Taiyuan's magnesium market was steady as well. One source said that, “Demand of the first half of 2012 seemed not well, however the supply was also bad. For the 2nd half of 2012, production of magnesium will be restrained by the coke market. So, it is possible that production can be even worse for the second half of 2012.”

Industry News

Yunsheng Magnesium Restart Construction of its Magnesium Project

Yunsheng Magnesium restarts the construction of magnesium project with 30 kt of magnesium alloy ingot annually, 10 kt of magnesium alloy die castings, and 600 kt of quality-modified coal. The total investment is 330 mln. Yuan. Up to now, the related examination and approval procedures for magnesium alloy lines and needed land have been almost finished.

Yunsheng Magnesium, registered in Oct. 2009 and located in Yaogou county, Hohhot city, Inner Mongolia, is a model of cyclic economy enterprise.

Sale of Magnesium Alloy from Nanjing Welbow Grows During H2 (2012)

For January-June of 2012, Nanjing Welbow had a gross revenue of 1.621 bil. Yuan, down 3.82% compared with the same period of 2011; operating profit of 5.985 mil. Yuan, down 31.7% y-on-y.
Both sales of magnesium alloy and aluminum alloy had positive growth, however the revenue from them went down 3.82% compared with 2011. For Nanjing Welbow adjusted the percentage of product sales and processing material. The gross margin for magnesium alloy increased by 2.69 percent, whereas aluminum alloy segment was down by 2.1 percent due to weak demand.

**Weihai Wanfeng Magnesium Acquires National Funds for Rare Earth Magnesium Project**

Recently, MOST published the national fund for scientific and technological project of small and medium sized enterprises. Project of mixed rare earth magnesium alloy material & wheel products of Shandong Weihai Wanfeng Magensium, together with other 17 projects will acquire 11.85 mln. yuan from MOST.

Wanfen Magnesium, a subsidiary of Wanfeng Auto Group, was founded in 2002. It specializes research, production and sales of metals, locomotive spares, environmental protection equipment, popkart, exercise apparatus etc,. It is a leading enterprise in the application of magnesium alloy.

**Price Indicators**

Sunlight’s Price, Pure Magnesium (>99.8%) and Aluminium

<table>
<thead>
<tr>
<th>Item</th>
<th>Magnesium Price</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shanxi Province, Taiyuan City, ex-works¹</td>
<td>18500-18700</td>
<td>RMB yuan/ton</td>
</tr>
<tr>
<td>Shanxi Province, Yuncheng City, ex-works²</td>
<td>18600-18800</td>
<td>RMB yuan/ton</td>
</tr>
<tr>
<td>Ningxia Autonomous Region, ex-works³</td>
<td>18400-18600</td>
<td>RMB yuan/ton</td>
</tr>
<tr>
<td>Shaanxi Province, ex-works⁴</td>
<td>18400-18500</td>
<td>RMB yuan/ton</td>
</tr>
<tr>
<td>Henan Province, ex-works⁵</td>
<td>None</td>
<td>RMB yuan/ton</td>
</tr>
<tr>
<td>Inner Mongolia Autonomous Region, ex-works⁶</td>
<td>None</td>
<td>RMB yuan/ton</td>
</tr>
<tr>
<td>FOB Xingang, Tianjin'</td>
<td>3200-3250</td>
<td>USD/ton</td>
</tr>
<tr>
<td>CIF, Rotterdam Port</td>
<td>3200-3300</td>
<td>USD/ton</td>
</tr>
<tr>
<td>CIF, Toronto Port</td>
<td>3240-3340</td>
<td>USD/ton</td>
</tr>
</tbody>
</table>

**Date**

<table>
<thead>
<tr>
<th>Date</th>
<th>SHFE Spot Aluminium</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>30-Jul.-2012</td>
<td>15490/</td>
<td>RMB yuan/ton</td>
</tr>
<tr>
<td>3-Aug.-2012</td>
<td>15390/</td>
<td>RMB yuan/ton</td>
</tr>
</tbody>
</table>
SHFE: Shanghai Future exchange
(Exchange Rate of USD versus RMB is 6.3573 on August 3 based on http://www.boc.cn/. We place a Chinese map here to mark the major production bases and Xingang Port of Tianjin for your reference.

Note:
1. All the ex-works prices are VAT-paid.
2. The FOB price is based on ex-works basis, plus inland freight and miscellaneous expenses at Xingang Port of Tianjin. Because the distance from these six production bases to Xingang Port is different, their land freights also vary. FOB price includes 10-percent exports tariff from Jan. 1, 2008.
3. CIF prices are based on FOB price plus ocean freight and insurance, which will also vary time by time.
4. When getting ex-works price and FOB price, we give some weight numbers to each respondent and then get the weighted average prices.

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- Non-members: $150
- Blind Box Number: $50 additional

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